



RESOLUTION

EXPRESSING THE COUNCIL'S PRELIMINARY SUPPORT FOR THE EFFORTS OF WARD MANAGEMENT DEVELOPMENT COMPANY, LLC, TO CREATE A COMMUNITY FACILITIES DISTRICT TO FINANCE INFRASTRUCTURE DEVELOPMENT FOR THE WARD VILLAGE PROJECT IN KAKAAKO.

WHEREAS, the Kakaako area in Honolulu is experiencing extraordinary levels of development, raising concerns over the adequacy of public infrastructure in the area; and

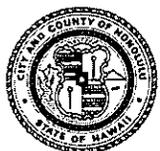
WHEREAS, the area's largest landowner, The Howard Hughes Corporation, has announced plans for a mixed-use development covering 60 acres in Kakaako, known as "Ward Village"; and

WHEREAS, plans for Ward Village include the development of more than 2,000 residential units, 22 high-rise condominiums, and 1.5 million square feet of commercial space, scheduled to take place over the next 10 years; and

WHEREAS, The Howard Hughes Corporation, through its affiliate, Ward Management Development Company, LLC ("Ward Management"), desires to create a community facilities district under ROH Chapter 34 to finance the development of infrastructure for the Ward Village project; and

WHEREAS, under ROH Chapter 34, a community facilities district may be established to finance some or all of the following types of infrastructure through the issuance of bonds and a special tax levied on the land within the district to pay the debt service on the bonds:

- (1) Streets, roads, highways, bikeways, pedestrian malls, sidewalks, or alleyways, including grading, paving, or otherwise improving the foregoing;
- (2) Public parking facilities;
- (3) Lighting systems, including traffic signals, for any public right-of-way;
- (4) Local park, recreation, child care, parkway, and open-space facilities;
- (5) Libraries, museums, and other cultural facilities;
- (6) The undergrounding of natural gas pipeline facilities, telephone lines, facilities for the transmission or distribution of electrical energy, cable television lines, and other utility facilities;



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- (7) Water systems;
- (8) Police, criminal justice (including jails), fire suppression (including fire stations), and paramedic facilities;
- (9) Wastewater, storm drainage, sewage removal or treatment, solid waste disposal, and recycling or resource recovery systems or facilities;
- (10) Transit or transportation systems;
- (11) Telecommunications systems; and
- (12) Any other facilities which the City is authorized by law to contribute revenue to or construct, own, maintain, or operate; and

WHEREAS, the process for establishing a community facilities districts involves the following:

- (1) The institution of proceedings to establish the proposed district, one method of which is the submission to the Council of a petition signed by the owners of at least 25 percent of the land in the proposed district and a nonrefundable fee to compensate the City for the costs of proceedings to establish the proposed district;
- (2) Adoption by the Council of a resolution of intention to consider the proposed district;
- (3) The holding of Council public hearing on the proposed district (which may be waived by the owner or owners of 100 percent of the land);
- (4) Approval by the Council of an ordinance of formation; and

WHEREAS, once a community facilities district is established, the Council may authorize the issuance of bonds pursuant to ROH Chapter 34, Article 7, to fund district improvements, the principal and interest of which bonds are to be paid from the proceeds of special taxes levied on properties within the district, and which may not be secured by the general credit of the City; and

WHEREAS, the City's costs of facilitating the creation of the community facilities district and the issuance of any district bonds are "incidental expenses" of the district to be borne by the district; and



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WHEREAS, Ward Management desires to gauge the support of the Council, the Administration, and the public for its efforts to create the community facilities district; and

WHEREAS, the Council feels that infrastructure development in Kakaako is of critical importance and the proposed creation of a community facilities district to finance infrastructure development for the Ward Village project deserves further exploration; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it expresses its preliminary support for the efforts of Ward Management Development Company, LLC, to create a community facilities district to finance infrastructure development for the Ward Village project; and

BE IT FURTHER RESOLVED that the Council urges the City Administration to engage in discussions with representatives of Ward Management regarding the creation of the community facilities district and the details thereof; and

BE IT FURTHER RESOLVED that the preliminary support expressed by the Council herein should not be construed as Council approval for the establishment of the community facilities district, as the Council will make its decision on that matter in accordance with the requirements of ROH Chapter 34; and



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BE IT FINALLY RESOLVED that copies of this resolution be transmitted to the Mayor, the Director of Budget and Fiscal Services, the Director of Design and Construction, the Chief Engineer of the Department of Facility Maintenance, and Ward Management Development Company, LLC.

INTRODUCED BY:

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DATE OF INTRODUCTION:

OCT 19 2017

Honolulu, Hawaii

Councilmembers

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII
C E R T I F I C A T E

RESOLUTION 17-291

Introduced: 10/19/17 By: JOEY MANAHAN

Committee: BUDGET

Title: RESOLUTION EXPRESSING THE COUNCIL'S PRELIMINARY SUPPORT FOR THE EFFORTS OF WARD MANAGEMENT DEVELOPMENT COMPANY, LLC, TO CREATE A COMMUNITY FACILITIES DISTRICT TO FINANCE INFRASTRUCTURE DEVELOPMENT FOR THE WARD VILLAGE PROJECT IN KAKAAKO.

Voting Legend: * = Aye w/Reservations

10/25/17	BUDGET	CR-392 – RESOLUTION REPORTED OUT OF COMMITTEE FOR ADOPTION.
11/01/17	COUNCIL	CR-392 AND RESOLUTION 17-291 WERE ADOPTED. 8 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MARTIN, MENOR, PINE. 1 ABSENT: OZAWA.

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.



GLEN I. TAKAHASHI, CITY CLERK



RON MENOR, CHAIR AND PRESIDING OFFICER